

May 7, 2010

UTAH DISTRICT NEWSLETTER

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Save the Date:

May 13, 2010
Doing Business With the Federal Gov.
Utah State Library
250 North 1950 West, Suite A
Salt Lake City, UT
7:30 am — 12 Noon
Contact: (801) 524-3210

May 18, 2010
Business Women's Forum Luncheon
Capitol
11:30 am - 1:00 pm
Contact: (801) 328-5052

May 19, 2010
Salt Lake SCORE Workshop
Salt Lake County Building Complex
Salt Lake City, UT
(801) 746-2269

May 26, 2010
8(a) Orientation—SBA Office
125 South State Street, 2nd floor
Salt Lake City, UT
10:00 am to 11:30 am
Contact: (801) 524-6831

Helping small businesses
start, grow and succeed.



Your Small Business Resource

Small Business Person of the Year

Robert M. Frayser, General Manager
Lisbon Valley Mining Co. LLC



Lisbon Valley



Robert Frayser



Copper Cathodes

With his company's financial institution suggesting closure and liquidation, and a fresh job opportunity in New Mexico calling, Bob Frayser had some critical decisions to make for himself and the Lisbon Valley Mining Company, an important employer in one of the country's poorest counties. With the help of the Blanding Small Business Development Center, Frayser took a chance and turned the mine around, saving and reclaiming numerous jobs in the process.

Constructed in 2004-05 by Constellation Copper, the Lisbon Valley mine found itself in trouble by late 2007 and projecting closure in 2009. By early 2009, the mine was down to 35 employees with its note holders ready to pull the plug.

Frayser, the company's general manager with a 27-year mining career, heard about the Blanding SBDC from an employee that was an SBDC client. Frayser visited the center and discussed the situation with Buddy Redd, the center's assistant director. Together they took action to resuscitate the mine, which included finding new investors and working through a chapter 11 bankruptcy reorganization.

Frayser developed a new mine plan that optimized the pit design, eliminated a costly and ineffective crushing circuit, resized the mine fleet, and modified the mine's drilling and blasting function. Restructuring of management functions contributed to better department performance and lower costs. Frayser's team cut the cost per ton of mining ore by almost one-half.

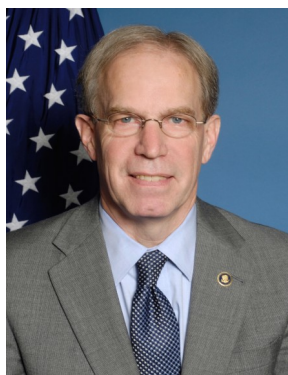
Small Business Person of the Year—Cont.

Today, Lisbon Valley is the largest private employer in San Juan County with over 100 men and women on the payroll. The company has relatively low debt and positive cash flow. The mine was recently awarded two safety awards from the Mine Safety and Health Administration. Frayser and Lisbon Valley continue to work with the Blanding SBDC on personnel, government relations, public relations, and other management issues.

But for Bob Frayser's grit and determination, Lisbon Valley would be just another hole in the ground. Because one man chose to follow his heart, a struggling county has reason to hope.

Collecting overdue accounts should not frustrate small business owners

By Daniel Hannaher, Region VIII Administrator



All small business owners know that collecting overdue accounts is especially difficult during a down economy. It's not the most pleasant part of being an entrepreneur, but not handling them expeditiously will almost certainly endanger your business's cash flow and long-term viability. The following are six simple steps that may make the collection process less stressful, and more effective.

1. **Avoid late payments by your customers.** Establish a standard policy for payment and make your customers aware of them before starting work. If you don't have a formal contract, have your customer sign your "Terms and Conditions." Do you require a full or partial payment upfront or will you offer payment terms such as Net 30? Clearly state any surcharges for late payments.
2. **Loose credit terms can create bad debt.** If you provide goods or services on credit, develop qualification standards that are specific, yet fair (e.g., a good credit history from a credit bureau or good bank references). Put your credit policy in writing and make sure all employees understand it. You should also have the policy posted in your store, or available as a handout.
3. **Enforce your credit terms on all transactions.** Your collections policy will do no good unless you enforce it. You will be amazed what a personal phone call can do to encourage a timely payment. If you've met your obligation and a customer has not, you're entirely in the right.
4. **Keep communications channels open.** Don't assume the customer is entirely wrong. Always stay in touch, and make sure they are satisfied with your product or service. If they become delinquent ask politely for an explanation. It may well be that the invoice has been lost or is awaiting approval. A customer with cash flow problems may request extra time. Based on your experience with the customer, you may feel confident enough to allow extra time or installment payments. Make sure you and the customer clearly understand any compromise.
5. **Don't be afraid to take legal action.** If your collection attempts fail, it may be time to turn to an attorney or collections firm. Your course of action will depend on the situation. You may decide the amount of the overdue account does not justify the cost and effort to collect. If so, write it off as a bad debt and move on.
6. **Don't Make the Same Mistake Twice.** Should customers with poor payment histories approach you about working with them or restoring credit, don't immediately refuse unless you are absolutely certain they remain bad risks. Determine if the situation has changed and decide whether it makes sense to restore the relationship. As a precaution, insist on stricter terms such as advance payment or cash-only.

The SBA has a number of resources available to advise business owners on the right course to take when establishing a collection policy. For more information, visit www.sba.gov or call the SBA's Colorado District Office at 303-844-2607.

(Daniel Hannaher is the SBA's Region VIII Administrator based in Denver. He can be reached at Daniel.hannaher@sba.gov)



Start your information security planning here!

Save the Date
August 18, 2010

8:00 am – 12:00 pm

Salt Lake Community College

Miller Campus

Lone Peak Room

9750 South 300 West

Sandy, Utah

*Parking is free and available
at the SLCC Campus*

Space is Limited!

Registration Fee: **FREE**

To register contact:

Melinda Workman

Email: melinda.workman@sba.gov

Phone: 801-524-3213

Fax: 801-524-4410

For additional information, visit
<http://csrc.nist.gov/groups/SMA/sbc/index.html>
Or contact: rkissel@nist.gov

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SBA

Small Business Administration

Assisting small businesses nationwide.



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*Protecting the U. S. against cyber-based attacks
and high-technology crimes.*

Can **YOU** answer the following questions?

What happens to my business if my sensitive business information falls into someone else's possession?

What would it cost me to be without some or all of my sensitive business information?

Could I recreate lost sensitive business information and what would be the cost?

What would be the implications to my business if I could no longer trust the accuracy or completeness of my sensitive business information?

If you can't answer these questions, then you need this workshop!

The NIST Computer Security Division has developed a workshop to **help the small business owner** increase information system security.

Learn how to define information security (IS) for your organization.

Hear examples of common types of threats and understand how to determine the extent to which your organization should proactively address threats.

Learn common Best Practices and procedures to operate more securely.

Hear a basic explanation of current technologies used in reducing IS vulnerabilities and learn of resources freely available to your organization.

For additional information visit:

<http://csrc.nist.gov/groups/SMA/sbc/index.html>



Assisted by:
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LENDER	April Loan Numbers	April Total Dollars	YTD Loan Numbers	YTD Dollars
1ST BANK	1	\$30,000	2	\$240,000
ALLIANCE COMMUNITY FCU	1	\$15,000	9	\$1,234,300
AMEGY BANK NATIONAL ASSOC	0	0	1	\$228,000
AMERICA FIRST FCU	3	\$55,000	37	\$1,167,000
AMERICAN BANK OF COMMERCE D/B/A AMBANK	2	\$1,058,900	8	\$3,856,900
AMERICAN BANK OF THE NORTH	0	0	1	\$1,500,000
BANKFIRST	0	0	1	\$150,000
BANK OF AMERICAN FORK	0	0	6	\$1,341,000
BANK OF THE WEST	0	0	0	0
BANK OF UTAH	2	\$847,500	12	\$4,103,300
BARNES BANKING COMPANY	0	0	1	\$35,000
BEEHIVE CU	1	\$10,000	11	\$362,000
BRIGHTON BANK	0	0	11	\$519,000
CACHE VALLEY BANK	1	\$130,000	3	\$335,000
CAPITAL COMMUNITY BANK	0	0	5	\$634,000
CELTIC BANK CORPORATION	4	\$1,848,000	24	\$13,868,500
CENNTENNIAL BANK	0	0	2	\$376,900
CENTRAL BANK	0	0	10	\$587,400
CHARTWAY FCU	0	0	1	\$99,500
COMMUNITY W. BANK NATL ASSOC	0	0	1	\$440,000
CYPRUS FCU	2	\$250,000	8	\$741,000
D.L. EVANS BANK	0	0	1	\$35,000
EXCEL NATIONAL BANK	0	0	1	\$618,200
FIRST BANK & TRUST CO.	1	\$120,000	1	\$120,000
FIRST UTAH BANK	1	\$50,000	6	\$461,200
FRONTIER BANK, FSB	0	0	0	0
GOLDENWEST FCU	0	0	14	\$701,000
GRAND VALLEY BANK	0	0	0	0
GRANITE FCU	0	0	6	\$355,200
HORIZON UTAH FCU D/B/A HORIZON CU	1	\$20,000	2	\$84,500
JORDAN FCU	1	\$15,000	9	\$285,000
JPMORGAN CHASE BANK, NATIONAL ASSOCIATION	9	\$1,595,000	45	\$11,243,500
KEYBANK NATIONAL ASSOCIATION	2	\$70,000	15	\$1,860,500
LEWISTON STATE BANK	0	0	1	\$25,000
LIBERTY BANK, INC.	1	\$500,000	2	\$650,000
LIVE OAK BANKING COMPANY	0	0	4	\$1,300,000
MEADOWS BANK	1	\$966,000	2	\$1,264,000
MOUNTAIN AMERICA FCU	19	\$1,089,600	117	\$5,377,400
MOUNTAIN WEST BANK	0	0	0	0
MOUNTAIN WEST SMALL BUSINESS FINANCE	10	\$4,325,000	81	\$34,851,000
NEVADA COMMERCE BANK	0	0	4	\$1,322,500
PRIME ALLIANCE BANK	0	0	2	\$1,080,000
SOUTHWEST COMMUNITY FCU	1	\$206,000	12	\$681,400
SPIRIT OF TEXAS BANK, SSB	0	0	1	\$163,000
STATE BANK OF SOUTHERN UTAH	4	\$660,000	50	\$5,049,500
SUPERIOR FINANCIAL GROUP, LLC	2	\$17,500	16	\$165,000
THE FIRST NATIONAL BANK OF LAYTON	0	0	3	\$358,000
THUNDER BANK	0	0	1	\$33,800
U.S. BANK NATIONAL ASSOCIATION	2	\$216,200	16	\$1,777,400
UNITED CENTRAL BANK	0	0	1	\$700,000
UNITED MIDWEST SAVINGS BANK	0	0	1	\$1,400,000
UNIVERSITY FIRST FCU	6	\$935,000	8	\$1,020,000

LENDER	April Loan Numbers	April Total Dollars	YTD Loan Numbers	YTD Dollars
USU CHARTER FCU	0	0	1	\$40,000
UTAH CENTRAL CREDIT UNION	0	0	0	0
UTAH CERTIFIED DEVELOPMENT COMPANY	1	\$700,000	38	\$13,943,000
UTAH COMMUNITY FEDERAL CREDIT UNION	0	0	0	0
UTAH FIRST FCU	4	\$135,000	10	\$395,000
*VECTRA BANK COLORADO, NATIONAL ASSOCIATION	0	0	197	\$15,118,100
WELLS FARGO BANK, NATIONAL ASSOCIATION	4	\$235,000	39	\$10,626,700
WILSHIRE STATE BANK	0	0	1	\$1,136,000
* ZIONS FIRST NATIONAL BANK	48	\$4,375,800	190	\$16,439,400
TOTALS	137	\$21,281,500	1052	\$162,499,100